

**ANNUAL REPORT**

Of

Company Name: **Ash Fork Development Association, Inc. DBA Ash Fork Water Service**  
PO Box 436

Mailing Address: Ash Fork AZ  
86320-0436

Docket No.: W-01004B  
For the Year Ended: 12/31/22

**RECEIVED BY EMAIL**  
4/18/2023 9:31 AM  
**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**WATER UTILITY**

To

Arizona Corporation Commission

**Due on April 15th**

Email: Util-Compliance@azcc.gov, mail or deliver the completed Annual Report to:  
Arizona Corporation Commission  
Compliance Section - Utilities Division  
1200 West Washington Street  
Phoenix, Arizona 85007

Application Type: Original Filing  
Application Date: 4/17/2023

ARIZONA CORPORATION COMMISSION  
 WATER UTILITY ANNUAL REPORT  
 Ash Fork Development Association, Inc. DBA Ash Fork Water Service  
 A Class  Utility

For the Calendar Year Ended: 12/31/22

Primary Address:   
 City:  State:  Zip Code:

Telephone Number:

Date of Original Organization of Utility:

Person to whom correspondence should be addressed concerning this report:

Name:   
 Telephone No. :   
 Address:   
 City:  State:  Zip Code:   
 Email:

Name:   
 Telephone No. :   
 Address:   
 City:  State:  Zip Code:   
 Email:

Name:   
 Telephone No. :   
 Address:   
 City:  State:  Zip Code:   
 Email:

Name:   
 Telephone No. :   
 Address:   
 City:  State:  Zip Code:   
 Email:

Name:   
 Telephone No. :   
 Address:   
 City:  State:  Zip Code:   
 Email:

Ownership:

Counties Served:

ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT  
Ash Fork Development Association, Inc. DBA Ash Fork Water Service

<b>Important changes during the year</b>
--

<b>No</b>	<b>For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?</b>
	<b>If yes, please provide specific details in the box below.</b>
	NA

<b>No</b>	<b>Has the company been notified by any other regulatory authorities during the year, that they are out of compliance?</b>
	<b>If yes, please provide specific details in the box below.</b>
	NA

Ash Fork Development Association, Inc. DBA Ash Fork Water Service  
 Annual Report  
 Utility Plant in Service (Water)  
 12/31/22

Utility Plant in Service (Water)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
301	Organization	\$0	\$0	\$0	\$0	\$0	\$0
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	55,443	0	0	55,443	0	55,443
304	Structures and Improvements	86,125	0	0	86,125	78,479	7,646
305	Collecting & Improving Reservoirs	0	0	0	0	0	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0
307	Wells and Springs	508,699	0	0	508,699	463,539	45,160
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	0	0	0	0	0	0
311	Pumping Equipment	386,428	0	0	386,428	330,842	55,587
320	Water Treatment Equipment	133,470	0	0	133,470	57,873	75,596
320.1	Water Treatment Plants	64,137	0	0	64,137	58,444	5,693
320.2	Solution Chemical Feeders	0	0	0	0	0	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0
330.1	Storage Tanks	107,780	0	0	107,780	80,217	27,563
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	1,197,350	0	0	1,197,350	617,543	579,806
333	Services	12,032	0	0	12,032	8,748	3,284
334	Meters and Meter Installations	30,749	1,955	0	32,704	28,839	3,865
335	Hydrants	13,595	0	0	13,595	5,539	8,056
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	45,948	0	0	45,948	8,081	37,867
340	Office Furniture and Equipment	24,744	0	0	24,744	24,407	337
340.1	Computer & Software	1,428	0	0	1,428	1,428	0
341	Transportation Equipment	53,894	0	0	53,894	52,687	1,207
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	36,575	0	0	36,575	31,436	5,139
344	Laboratory Equipment	701	0	0	701	560	141
345	Power Operated Equipment	15,918	0	0	15,918	6,368	9,550
346	Communication Equipment	48,852	0	0	48,852	48,852	0
347	Miscellaneous Equipment	75	0	0	75	42	33
348	Other Tangible Plant	73,330	0	0	73,330	73,330	0
	<b>Totals</b>	<b>\$2,897,272</b>	<b>\$1,955</b>	<b>\$0</b>	<b>\$2,899,227</b>	<b>\$1,977,252</b>	<b>\$921,975</b>

Ash Fork Development Association, Inc. DBA Ash Fork Water Service  
Annual Report  
Depreciation Expense for the Current Year (Water)  
12/31/22

Depreciation Expense for the Current Year (Water)									
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non-depreciable Plant	Depreciable Plant	Depreciation Percentages	Depreciation Expense
301	Organization	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	55,443	0	0	55,443	55,443	0	0.00%	0
304	Structures and Improvements	86,125	0	0	86,125	0	86,125	3.33%	2,868
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	3.33%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	0.00%	0
307	Wells and Springs	508,699	0	0	508,699	0	508,699	3.33%	16,940
308	Infiltration Galleries	0	0	0	0	0	0	0.00%	0
309	Supply Mains	0	0	0	0	0	0	0.00%	0
310	Power Generation Equipment	0	0	0	0	0	0	0.00%	0
311	Pumping Equipment	386,428	0	0	386,428	318,014	68,414	12.50%	8,552
320	Water Treatment Equipment	133,470	0	0	133,470	0	133,470	12.50%	16,684
320.1	Water Treatment Plants	64,137	0	0	64,137	0	64,137	3.33%	2,136
320.2	Solution Chemical Feeders	0	0	0	0	0	0	20.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	107,780	0	0	107,780	0	107,780	2.22%	2,393
330.2	Pressure Tanks	0	0	0	0	0	0	5.00%	0
331	Transmission and Distribution Mains	1,197,350	0	0	1,197,350	0	1,197,350	2.00%	23,947
333	Services	12,032	0	0	12,032	0	12,032	3.33%	401
334	Meters and Meter Installations	30,749	1,955	0	32,704	18,200	14,504	8.33%	1,127
335	Hydrants	13,595	0	0	13,595	0	13,595	2.00%	272
336	Backflow Prevention Devices	0	0	0	0	0	0	6.67%	0
339	Other Plant and Misc. Equipment	45,948	0	0	45,948	0	45,948	6.67%	3,065
340	Office Furniture and Equipment	24,744	0	0	24,744	24,208	536	6.67%	36
340.1	Computer & Software	1,428	0	0	1,428	1,428	0	20.00%	0
341	Transportation Equipment	53,894	0	0	53,894	20,364	33,530	20.00%	6,706
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	36,575	0	0	36,575	0	36,575	5.00%	1,829
344	Laboratory Equipment	701	0	0	701	0	701	10.00%	70
345	Power Operated Equipment	15,918	0	0	15,918	0	15,918	5.00%	796
346	Communication Equipment	48,852	0	0	48,852	48,852	0	10.00%	0
347	Miscellaneous Equipment	75	0	0	75	0	75	10.00%	8
348	Other Tangible Plant	73,330	0	0	73,330	73,330	0	10.00%	0
	<b>Subtotal</b>	<b>\$2,897,272</b>	<b>\$1,955</b>	<b>\$0</b>	<b>\$2,899,227</b>	<b>\$559,839</b>	<b>\$2,339,388</b>		<b>\$87,827</b>

Contribution(s) in Aid of Construction (Gross)	\$869,395
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	<b>\$869,395</b>
Times: Proposed Amortization Rate	3.75%
Amortization of CIAC	<b>\$32,639</b>

Less: Amortization of CIAC **\$32,639**

**DEPRECIATION EXPENSE \$55,187**

Ash Fork Development Association, Inc. DBA Ash Fork Water Service  
Annual Report  
Balance Sheet Assets  
12/31/22

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2022)	Balance at End of Year (2022)
Account No.	<b>Current and Accrued Assets</b>			
131	Cash		\$29,318	\$85,312
134	Working Funds		0	0
135	Temporary Cash Investments		54,635	55,106
141	Customer Accounts Receivable		11,139	9,777
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		0	0
	<b>Total Current and Accrued Assets</b>		<b>\$95,092</b>	<b>\$150,196</b>
Account No.	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$2,897,272	\$2,899,227
103	Property Held for Future Use		1,949,000	1,949,000
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(1,889,427)	(1,977,252)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	<b>Total Fixed Assets</b>		<b>\$2,956,845</b>	<b>\$2,870,975</b>
	<b>Total Assets</b>		<b>\$3,051,937</b>	<b>\$3,021,170</b>

\*Note these items feed automatically from AR3 UPIS Page 4

Ash Fork Development Association, Inc. DBA Ash Fork Water Service  
Annual Report  
Balance Sheet Liabilities and Owners Equity

<b>Balance Sheet Liabilities and Owners Equity</b>				
	<b>Liabilities</b>		<b>Balance at Beginning of Year (2022)</b>	<b>Balance at End of Year (2022)</b>
<b>Account No.</b>	<b>Current Liabilities</b>			
231	Accounts Payable		\$6,799	\$2,404
232	Notes Payable (Current Portion)		6,789	9,309
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		26,020	21,245
236	Accrued Taxes		0	19,778
237	Accrued Interest		126	122
242	Miscellaneous Current and Accrued Liabilities		0	0
	<b>Total Current Liabilities</b>		<b>\$39,734</b>	<b>\$52,858</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		\$367,045	\$341,005
	<b>Deferred Credits</b>			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		0	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		869,395	869,395
272	Less: Amortization of Contributions		(428,719)	(461,358)
281	Accumulated Deferred Income Tax		0	0
	<b>Total Deferred Credits</b>		<b>\$440,676</b>	<b>\$408,037</b>
	<b>Total Liabilities</b>		<b>\$847,455</b>	<b>\$801,900</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued		\$477,560	\$477,560
211	Other Paid-In Capital		323,312	323,312
215	Retained Earnings		1,973,887	1,988,675
218	Proprietary Capital (Sole Props and Partnerships)		(570,277)	(570,277)
	<b>Total Capital</b>		<b>\$2,204,482</b>	<b>\$2,219,270</b>
	<b>Total Liabilities and Capital</b>		<b>\$3,051,937</b>	<b>\$3,021,170</b>

**Note: Total liabilities and Capital must match total assets for the beginning and end of the year!**

Ash Fork Development Association, Inc. DBA Ash Fork Water Service  
Annual Report  
Water Comparative Income Statement  
12/31/22

<b>Water Comparative Income Statement</b>			
Account No.	Calendar Year	Current Year 01/01/2022 -	Last Year 01/01/2021 - 12/31/2021
	<b>Operating Revenue</b>		
461	Metered Water Revenue	\$389,832	\$397,942
460	Unmetered Water Revenue	0	3,055
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	11,991	6,030
471	Miscellaneous Service Revenues	15,720	0
474	Other Water Revenue	14,101	4,335
	<b>Total Revenues</b>	<b>\$431,644</b>	<b>\$411,362</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages	\$202,544	\$185,624
604	Employee Pensions and Benefits	2,400	2,400
610	Purchased Water	0	0
615	Purchased Power	42,337	41,558
618	Chemicals	0	0
620	Materials and Supplies	0	16,334
620.1	Repairs and Maintenance	24,931	43,334
620.2	Office Supplies and Expense	4,886	1,986
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	1,684	0
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	2,396	1,899
636	Contractual Services - Other	1,488	1,416
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	3,812	3,166
650	Transportation Expenses	6,853	5,498
657	Insurance - General Liability	16,029	15,448
657.1	Insurance - Health and Life	9,883	10,407
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	3,367	1,487
675	Miscellaneous Expense	2,581	13,562
403	Depreciation Expense (From Schedule AR4)	55,187	54,259
408	Taxes Other Than Income	0	0
408.11	Property Taxes	19,778	21,400
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	<b>Total Operating Expenses</b>	<b>\$400,155</b>	<b>\$419,778</b>
	<b>Operating Income / (Loss)</b>	<b>\$31,488</b>	<b>(\$8,416)</b>
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income	\$476	\$427
421	Non-Utility Income	0	19,071
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(17,176)	(18,764)
	<b>Total Other Income / (Expense)</b>	<b>(\$16,700)</b>	<b>\$734</b>
	<b>Net Income / (Loss)</b>	<b>\$14,788</b>	<b>(\$7,682)</b>

Ash Fork Development Association, Inc. DBA Ash Fork Water Service  
 Annual Report  
 Full time equivalent employees  
 12/31/22

**Full time equivalent employees**

	Direct Company	Allocated	Outside service	Total
President	1.0	0.0	0.0	1.0
Vice-president	1.0	0.0	0.0	1.0
Manager	1.0	0.0	0.0	1.0
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	1.0	0.0	0.0	1.0
Meter reader	1.0	0.0	0.0	1.0
Customer Service	0.0	0.0	0.0	0.0
Accounting	0.0	0.0	0.0	0.0
Business Office	1.0	0.0	0.0	1.0
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
<b>Total</b>	<b>6.0</b>	<b>0.0</b>	<b>0.0</b>	<b>6.0</b>

Ash Fork Development Association, Inc. DBA Ash Fork Water Service  
 Annual Report  
 Supplemental Financial Data (Long-Term Debt)  
 12/31/22

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	2/1/2002	11/1/2017	NA	NA
Source of Loan	USDA	WIFA	NA	NA
ACC Decision No.	65852	75808	NA	NA
Reason for Loan	System Expansion	Arsenic Treatment Eq	NA	NA
Dollar Amt. Issued	\$433,000	\$54,312	NA	NA
Amount Outstanding	\$322,592	\$44,454	NA	NA
Date of Maturity	1/31/2042	4/1/2037	NA	NA
Interest Rate	4.75%	1.50%	NA	NA
Current Year Interest	\$15,559	\$3,202	NA	NA
Current Year Principal	\$9,125	\$1,970	NA	NA

Meter Deposit Balance at Test Year End:	\$21,245
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Meter Deposits Refunded During the Test Year:	\$0
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***List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should not be listed. Input 0 or none if there is nothing to report for that cell.***





<b>Water Utility Plant Description (Continued)</b>
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For the following three items, list the utility owned assets in each category for each system.

<b>TREATMENT EQUIPMENT:</b>	2-gas chlorination systems, 1-AD EDGE arsenic treatment system
<b>STRUCTURES:</b>	1-office/administration building, 2-well/pump houses, 3-water dispensing stations
<b>OTHER:</b>	1-2016 GMC 1/2 ton pickup, 1-2017 Dodge 1/2 ton pickup, 1-2001 dodge 1-ton dump bed truck, 4x4 w/snow plow, 75KV mobil generator, 2-Aqua Star water vending machines, 1-ice making/vending machine

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by
- (b) If no historical flow data are available, use:  

$$ERC = ( \text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day} )$$

ERC 

121
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 Method used: 

(a)
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Customer and Other Information	
Name of the System:	Ash Fork Water Service
ADEQ Public Water System Number:	13-008
ADWR PCC Number:	91-000606.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	179	4	40	0	178
February	178	4	41	0	186
March	178	4	41	0	182
April	179	4	42	0	177
May	179	4	41	0	193
June	180	4	41	0	179
July	179	4	41	0	192
August	177	4	42	0	177
September	177	4	42	0	180
October	178	4	44	0	180
November	176	4	44	0	176
December	179	4	43	0	179

If the system has fire hydrants, what is the fire flow requirements?  GPM for  hrs.

Does the system have chlorination treatment?

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?   
 If yes, provide the GPCPD amount:

Is the Water Utility located in an ADWR Active Management Area (AMA)?   
 If yes, which AMA?

What is the present system connection capacity (in ERCs \*) using existing lines?

What is the future system connection capacity (in ERCs \*) upon service area buildout?

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

We plan to have a new pump control building completed in 2023 for our Ash Fork #1 groundwater well location.

\* an ERC is based on the calculation on the bottom of AR9 page 12.

Ash Fork Development Association, Inc. DBA Ash Fork Water Service  
**Annual Report**  
 Utility Shutoffs / Disconnects  
 12/31/22

<b>Utility Shutoffs / Disconnects</b>	
Name of the System:	Ash Fork Water Service
ADEQ Public Water System Number:	AZ-04-13-008
ADWR PCC Number:	91-000606.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	0	0
February	0	2	0
March	0	1	0
April	0	2	0
May	0	0	0
June	0	0	0
July	0	3	0
August	0	3	0
September	0	3	0
October	0	1	0
November	0	0	0
December	0	1	0
<b>Total</b>	<b>0</b>	<b>16</b>	<b>0</b>

**Other (description):**

N/A

**Instructions:** Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

<b>Property Taxes</b>	
Amount of actual property taxes paid during Calendar Year 2022 was	<b>\$19,778</b>

<b>If no property taxes paid, explain why.</b> N/A
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**Instructions:** Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Verification and Sworn Statement

Verification:

State of Arizona I, the undersigned of the  
(state name)  
County of (county name): Yavapai  
Name (owner or official) title: Lewis E. Hume, General Manager  
Company name: Ash Fork Development Association, Inc. DBA Ash Fork Water Ser

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/22

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$424,536

(The amount in the box above includes

\$20,128 in sales taxes

billed or collected)

*[Handwritten Signature]*

signature of owner/official

928-637-2774

telephone no.

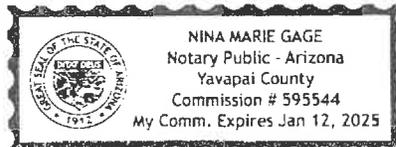
SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC  
IN AND FOR THE COUNTY

THIS

18<sup>th</sup> DAY OF Yavapai  
(county name) 04/23  
(month) and (year)

MY COMMISSION EXPIRES

Jan 12, 25  
(date)



*[Handwritten Signature: Nina Marie Gage]*  
(signature of notary public)

**Verification and Sworn Statement (Residential Revenue)**

**Verification:**

State of Arizona I, the undersigned of the  
(state name)

County of (county name): Yavapai  
Name (owner or official) title: Lewis E. Hume, General Manager  
Company name: Ash Fork Development Association, Inc. DBA Ash Fork Wat

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

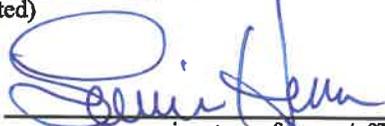
FOR THE YEAR ENDING: 12/31/22

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**Sworn Statement:** IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$424,536  
(The amount in the box above includes  
\$20,128 in sales taxes  
billed or collected)

  
signature of owner/official

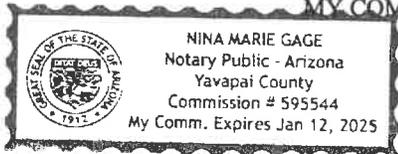
928-637-2774  
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC  
IN AND FOR THE COUNTY

Yavapai  
(county name)

THIS 18<sup>th</sup> DAY OF 04/2023  
(month) and (year)

MY COMMISSION EXPIRES Jan 12, 25  
(date)



  
(signature of notary public)

**Full Gross-up Method for Income Tax Statement of Certification**

**Verification:**

State of Arizona I, the undersigned of the  
(state name)

County of (county name): Yavapai  
Name (owner or official) title: Lewis E. Hume, General Manager  
Company name: Ash Fork Development Association, Inc. DBA Ash Fork Water Service

FOR THE YEAR ENDING: 12/31/22

**Sworn Statement:**

IN ACCORDANCE WITH THE REQUIREMENTS OF DECISION NO. 77084, BECAUSE THE UTILITY REQUIRES THE GROSS UP OF ADVANCES AND CONTRIBUTIONS, I HEREBY STATE THAT THE UTILITY HAS NOT INCURRED NOR IS EXPECTED TO INCUR A NET INCREASE IN CURRENT INCOME TAX EXPENSE OR A DECREASE IN DEFERRED TAX ASSET FOR A CARRY FORWARD ACCORDING TO GAAP IN AN AMOUNT EQUAL TO OR GREATER THAN THE AMOUNT OF THE REQUIRED GROSS UP PAID BY DEVELOPERS IN THE PERIOD COVERED BY THIS ANNUAL REPORT.

*Lewis E. Hume*  
signature of owner/official  
928-637-2774  
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC  
IN AND FOR THE COUNTY Yavapai  
(county name)

THIS 18<sup>th</sup> DAY OF 04/23  
(month) and (year)

MY COMMISSION EXPIRES Jan 12, 25  
(date)



*Nina Marie Gage*  
(signature of notary public)

Verification and Sworn Statement (Taxes)

Verification: State of Arizona I, the undersigned of the  
(state name)

County of (county name): Yavapai  
Name (owner or official) title: Lewis E. Hume, General Manager  
Company name: Ash Fork Development Association, Inc. DBA Ash Fork Water Service

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/22

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

Lewis E. Hume  
signature of owner/official

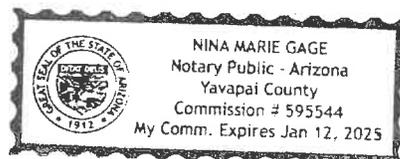
928-637-2774  
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC  
IN AND FOR THE COUNTY

THIS 18<sup>th</sup> DAY OF Yavapai  
(month) and (year) 04/23

MY COMMISSION EXPIRES

Jan 12, 2025  
(date)



Nina Marie Gage  
(signature of notary public)